

Missouri Department of Natural Resources Regulatory Impact Report For

Proposed Amendment 10 CSR 10 – 6.260

<u>Applicability:</u> Pursuant to Section 640.015 RSMo, "all rulemakings that prescribe environmental conditions or standards promulgated by the Department of Natural Resources...shall... be based on the regulatory impact report...." This requirement shall not apply to emergency rulemakings pursuant to section 536.025 or to rules of other applicable federal agencies adopted by the Department "without variance."

The Missouri Department of Natural Resources has determined this rulemaking prescribes environmental conditions or standards and verifies that this rulemaking is not a simple unvarying adoption of rules from other federal agencies. Accordingly, the Department has produced this regulatory impact report which will be made publicly available for comment for a period of at least 60 days. Upon completion of the comment period, official responses will be developed and made available on the agency web page prior to filing the proposed rulemaking with the Secretary of State. Contact information is at the end of this regulatory impact report.

1. Describe the environmental conditions or standards being prescribed.

This amendment makes changes to Section (3), Table 1. The sulfur dioxide emission rates and averaging times for Kansas City Power & Light (KCPL) Hawthorn and Montrose Station units are being amended. The spelling of Aquila in Table 1 is also being corrected.

2. A report on the peer-reviewed scientific data used to commence the rulemaking process.

The rulemaking process was initiated with the partial disapproval of the State Implementation Plan (SIP) by the Environmental Protection Agency (EPA) as published in the Federal Register, October 3, 2005. The EPA partially disapproved the state's SIP submission that revised the Restriction of Emission of Sulfur Compounds rule citing that EPA believes the revisions to Section (3), Table 1, regarding the emission rate for the KCPL Hawthorn and Montrose Station facilities, are not consistent with the requirements of the Clean Air Act. The proposed amendment will make the emission rates and averaging times in Table 1 consistent with associated permits and air dispersion modeling conducted by the EPA. Information used was found in air permits associated with KCPL Hawthorn and the results of an EPA air dispersion model for Montrose Station. The Hawthorn emission rate comes from the Prevention of Significant Deterioration permit for unit 5a. The results of an EPA air dispersion model showed that the proposed emission rate and averaging time for Montrose are consistent with the current SIP limit and would not exceed the 24-hour National Ambient Air Quality Standards.

3. A description of the persons who will most likely be affected by the proposed rule, including persons that will bear the costs of the proposed rule and persons that will benefit from the proposed rule.

Kansas City Power and Light.

4. A description of the environmental and economic costs and benefits of the proposed rule.

The amendment is not expected to result in additional costs to KCPL or the state. The KCPL Hawthorn and Montrose Station units being addressed in this amendment are operating at or below the proposed rates as a result of other Clean Air Act requirements or regulations. The benefit of the proposed amendment is that this will establish an upper limit to KCPL's sulfur dioxide emissions at these facilities. In addition, this amendment would be approved by the EPA as part of the SIP.

5. The probable costs to the agency and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenue.

The expected costs to the agency and to any other agency for the implementation and enforcement of the proposed rule is less the \$500 in the aggregate and not anticipated to affect state revenue.

6. A comparison of the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction, which includes both economic and environmental costs and benefits.

The benefit of the proposed amendment is that this will establish an upper limit to KCPL's sulfur dioxide emissions at these facilities. Not taking this action will likely not result in any additional sulfur dioxide emissions from KCPL at these facilities since they are subject to a number of state and federal regulations, however it does set an upper limit that would be protective of the environment and receive EPA approval as part of the SIP.

7. A determination of whether there are less costly or less intrusive methods for achieving the proposed rule.

The department is not aware of a less costly or less intrusive method for achieving the proposed amendment.

8. A description of any alternative method for achieving the purpose of the proposed rule that were seriously considered by the department and the reasons why they were rejected in favor of the proposed rule.

The department did not consider any alternative methods as none were available.

9. An analysis of both short-term and long-term consequences of the proposed rule.

The short and long term consequences of the proposed amendment is the protection of the environment by setting sulfur dioxide emission rates for KCPL Hawthorn and Montrose Station units that are consistent with associated permits and air dispersion modeling.

10. An explanation of the risks to human health, public welfare or the environment addressed by the proposed rule.

Sulfur dioxide is a pollutant known to cause respiratory and cardiovascular problems in people. These problems can result in illness and death. Environmental effects of sulfur dioxide include damage to foliage on crops and trees, impair visibility, and contribute to acid rain. The emission limits proposed in this amendment will set an upper limit on sulfur dioxide emissions from these facilities that will be protective of the environment and public health.

11. The identification of the sources of scientific information used in evaluating the risk and a summary of such information

Information used was found in air permits associated with KCPL Hawthorn and the results of an EPA air dispersion model for Montrose Station. The Hawthorn emission rate comes from the Prevention of Significant Deterioration permit for unit 5a. The air dispersion model showed that the proposed emission rate and averaging time for Montrose are consistent with the current SIP limit and would not exceed the 24-hour National Ambient Air Quality Standards.

12. A description and impact statement of any uncertainties and assumptions made in conducting the analysis on the resulting risk estimate.

An analysis of risk was not done for this rulemaking.

13. A description of any significant countervailing risks that may be caused by the proposed rule

The department is not aware of any countervailing risks.

14. The identification of at least one, if any, alternative regulatory approaches that will produce comparable human health, public welfare or environmental outcomes.

An alternative approach was not identified.

15. Provide information on how to provide comments on the Regulatory Impact Report during the 60-day period before the proposed rule is filed with the Secretary of State.

Formal comments can be provided on either the Regulatory Impact Report or the draft rule text by sending them to the contact listed in question 16.

16. Provide information on how to request a copy of comments or the web information where the comments will be located.

Chief, Operations Section

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or

Missouri Air Conservation Commission P.O. Box 176 Jefferson City, MO 65102-0176

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Copies of formal comments made on either the Regulatory Impact Report or the draft rule text may be obtained by request from the contact listed above or by accessing the Rules In Development section at website www.dnr.mo.gov/env/apcp/rulesdev.htm for this particular rulemaking.